PHILADELPHIA INQUIRER 28 June 1963

ATTICLE APPEARED

## Op-ed Page Soviets are stealing high-tech Equally important to the Soviet Union is the acquisition of technology that it is capable of developing or

By Donald T. Regan

Today thousands of Soviet diplomats, scientists, students and technocrats, acting as intelligence agents, travel quite freely in the United States, Western Europe and Japan acquiring, legally and illegally, information and technology of direct and indirect military value.

In order to deal with this serious problem. Operation Exodus was established in 1981 by the Reagan administration through the U.S. Customs Service, a Treasury Department bureau, to stem the illegal flow of high technology equipment and information to the Soviet Union and its satellite states.

The Soviet Union's perception of a technology gap is correct; its response to it predictable. It will intensify its legal and illegal efforts to obtain from the United States, Western Europe, and Japan scientific information and specimens of technology related immediately or even remotely to the refinement of existing weapons systems, to the development of new ones, and to the improvement of Soviet military production.

Perhaps most coveted by the Soviet Union is process technology, particularly that used to produce advanced microelectronic components. Ironically, the process technologies that are being developed by American industry in response to demand in the private, civilian marketplace also have military significance. In short, the same technology that brings us the likes of Pac Man is scaring the Soviet Union.

Equally important to the Soviet Union is the acquisition of technology that it is capable of developing or producing on its own but that, because of lead times, expense and a fear of further burdening a weak consumer economy, it prefers to get from the West. A case in point is microelectronics technology. By tediously acquiring hundreds of pieces of Western microelectronic equip-

ment, over a 10-year period, the Soviet Union is now capable of supplying all its military needs in the microelectronic area with U.S.-made or licensed components.

Some of these technology acquisitions are made with relatively little effort. Soviet agents and their Warsaw Pact counterparts often pick up

information and technology with the ease of a shopper in a department store.

This more or less random approach — picking up technological targets of opportunity as it were — has given the Soviet Union a broad range of Western technologies. That approach will continue, but also a far more

selective effort can be expected to intensify during the 1980s.

One U.S. government study indicates that the Soviet Union's effort will concentrate on defense contractors in the United States, Europe and Japan, their suppliers, and small to medium research-oriented firms. And they are likely to increase their effort to acquire emergent technologies at their sources, such as universities, and research centers.

Operation Exodus, a Customs Service program, is aimed at stemming the illegal flow of American high technology to the Soviet Union and its Eastern bloc satellites. Since October 1981 the U.S. Customs Service has seized more than 1,051 shipments of equipment and information valued at about \$67 million. These seizures have resulted in 70 convictions.

Customs agents receive specialized training keyed to spotting high technology products. For example one agent has been responsible for blocking \$5 million in illegal exports.

This agent routinely visits warehouses to check papers that have been filed with shipments, looking for entries that don't have the necessary export papers or contain misleading information. He blocked the illegal shipment of \$2.5 million in airplane parts to the Libyan Air Force and obtained several arrests and indictments.

In another case, undercover customs agents received a tip that there would be an attempt to illegally export S5 million of truck production machines to the Soviet Union. They blocked the shipment and arrested three men.

In another case, suspicious Customs agents discovered top-secret radio frequency scanners heading to the Soviet Union via another country. The scanners pick up voice communications from radio frequencies and could be used in spy planes and satellites. The agents substituted sandbags for the sophisticated equipment aboard the plane and allowed the shipment to continue on to the Soviet Union.

The West has prospered through the free flow of goods and information around the world. We should seek to encourage that exchange. But paradoxically there is a direct relationship between the openness of our society and the Soviet Union's military capacity.

The Customs Service hinders the Soviet Union's attempts to exploit our technological advances. But without the full assistance and cooperation of the American business community, the effectiveness of the Customs Service in this area will be limited, and the Soviet Union will continue to use America's freedom to our detriment.

(Donald T. Regan is the U.S. secretary of the Treasury.)